GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:370
ANSWERED ON:18.08.2000
BOUNCED CHEQUES
ANNA SAHEB M.K. PATIL;M.V.V.S MURTHI

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to set up special court to deal with the cases relating to bounced cheques;

(b) if so, the detils thereof;

(c) whether confederation of Indian Industry has also submitted a memorandum suggesting measures to deal with increasing cases of bounced cheques;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) to (e) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 370 ADMITTED FOR ORAL REP 18.08.2000 REGARDING BOUNCED CHEQUES TABLED BY SHRI ANNASAHEB M.K. PATIL AND SHRI M.V.V.S. MURTHI, MPs.

(a) : No, Sir.

(b) : Does not arise.

(c) (d) & (e) : Confederation of Indian Industry has submitted a memorandum dated 19.6.2000 to Department of Legal Affairs. Ministry of Law, Justice and Company Affairs suggesting amendment to Section 138 of Negotiable Instruments Act, 1881 .The memorandum inter-alia, has suggested that (a) Section 138 (b) of the Negotiable Instrument Act be amended to remove the limit of 15 days prescribed for demanding payment in case of unpaid cheques and (b) a Special Court should be constituted to deal with the offences punishable under section 138 of the Act. Such suggestions constitute useful inputs in the ongoing exercise of making economic legislation more responsive to the needs of society.